

HAHN AND ASSOCIATES, INC.
ENVIRONMENTAL CONSULTANTS

July 15, 2015

Mr. Dana Bayuk
Oregon Department of Environmental Quality
Northwest Region, Portland Office
Portland Harbor Section
2020 SW Fourth Avenue, Suite 400
Portland Oregon 97201-4987

HAI Project No. 2708
DEQ ECSI File No. 84

**SUBJECT: Progress Report, NW Natural Site, 7900 NW St. Helens Avenue and
7200 NW Front Avenue, Portland, Oregon**

Dear Mr. Bayuk:

Hahn and Associates, Inc. (HAI) has prepared this monthly Progress Report summarizing Remedial Investigation/Feasibility Study (RI/FS) and source control-related work activities conducted by NW Natural relating to historic manufactured gas plant (MGP) activities at the NW Natural Site during the month of June 2015. NW Natural is completing upland investigation and cleanup activities at the NW Natural Site under the Voluntary Agreement No. ECVC-WMCVC-NWR-94-13 (Voluntary Agreement) between NW Natural and the Oregon Department of Environmental Quality (DEQ).

1.0 Communications and Document Submittals

A meeting with representatives of DEQ and NW Natural was conducted on June 3, 2015 to discuss the objectives, content, and timing of a Groundwater Quality Data Report, inclusive of proposed streamlining of the existing integrated groundwater monitoring program.

In correspondence dated June 12, 2015 (Dana Bayuk to John Renda), DEQ provided feedback on the NW Natural's proposed Phase 2 path forward in response to correspondence dated May 29, 2015 (John Renda to Dana Bayuk).

In correspondence dated June 4, 2015 (Dana Bayuk to John Renda and Rob Ede), DEQ provided supplemental information as discussed during a June 3, 2015 meeting and requested an update related to the evaluation of laboratory performance for "available cyanide" testing via a split sample event.

A meeting with representatives of DEQ, EPA, and NW Natural was conducted on June 15, 2015 to discuss the ongoing HC&C Model Calibration and Validation.

In correspondence dated June 24, 2015 (Dana Bayuk to Bob Wyatt and Ben Hung), DEQ transmitted a proposed update to the Uplands Program Sequencing document previously developed as part of the program management process.

A project manager call was conducted with DEQ on June 24, 2014 to discuss NW Natural project management and project schedules.

A program management implementation call was conducted with DEQ on June 25, 2015 to discuss NW Natural program management and project schedules.

In correspondence dated June 26, 2015 (Dana Bayuk to Pradeep Mugunthan), DEQ transmitted comments related to review of presentation materials as provided during the June 15, 2015 meeting related to HC&C model calibration.

In correspondence dated June 30, 2015 (John Renda to Dana Bayuk), Anchor QEA, on behalf of NW Natural, provided Figures from the first 30 days (through June 14, 2015) of the 60-day HC&C Phase 2 testing.

2.0 Field Work

HAI field activities related to monitoring and maintenance of the dense non-aqueous phase liquid (DNAPL) extraction system at surficial fill well locations MW-6-32 and MW-13-30 occurred during June 2015. The system recovered approximately 55 gallons of fluids, primarily DNAPL, in June.

Tasks related to optimization and maintenance of the HC&C system and the groundwater treatment system were conducted in June 2015.

An interim 60-day Phase 2 HC&C test began during May and continued operation throughout the month of June 2015.

Baseline DNAPL removal as needed to maintain at levels below the top of the well sumps was conducted by Anchor QEA during June 2015 in the following wells near the river shoreline.

- DW-14U
- MW-26U
- MW-27U
- MW-38U
- MW-PW-2L
- PW-2L

On March 31, 2014 NW Natural discontinued routine discharges of treated groundwater to the sanitary sewer (Industrial Wastewater Discharge Permit 500.022). During June 2015 all water was directed to NW Natural's on-site wastewater treatment plant and discharged to the Willamette River consistent with National Pollutant Discharge Elimination System (NPDES) Permit No. 103061 (expires August 31, 2018). Results from NW Natural's NPDES effluent sampling are provided to DEQ in Discharge Monitoring Reports that are submitted on a monthly basis in accordance with the permit. As of June 30, 2015 a total of 119,822,033 gallons of treated water were discharged under the NPDES permit.

Groundwater monitoring activities, consisting of manual water level measurements, DNAPL measurements, and sampling of select new wells, were completed in June 2015.

3.0 Anticipated Activities July and August 2015

NW Natural and DEQ technical working group communications and meetings are anticipated to occur as needed during July and August 2015 to discuss ongoing project tasks.

The *HC&C Model Calibration and Validation Report* is in preparation for submittal to DEQ after agreements with the agency are reached related to model calibration.

A *Groundwater Quality Data Report* with proposed modifications to the integrated monitoring schedule is under development for submittal to DEQ during July.

Phase 2 HC&C testing, initiated in May 2015, will continue into July 2015 after which it is anticipated that long-term HC&C system operations will commence.

A meeting with representatives of DEQ and NW Natural is scheduled for July 27, 2015 to discuss the initiation of Feasibility Study activities for the Gasco uplands.

A Contaminated Materials Management Plan is being prepared for submittal during the early August timeframe.

The *Groundwater Treatment System Operations and Maintenance Manual*, prepared by Severson Environmental Services, Inc., dated May 2015 is being updated based on feedback provided by DEQ and DOJ and will be resubmitted during the late July timeframe.

Initiation of supplemental Doane Creek investigation activities will occur once access agreements with the off-site property owners (Portland & Western Railroad and Burlington Northern & Santa Fe Railway Company) are received.

Test pitting activities will be completed during the referenced timeframe (completed July 10, 2015) in order to determine if the location of the former MGP-era bedrock water supply well can be ascertained.

The following reports and work plans for the Site have been submitted to DEQ through the date of this progress report. Unless otherwise noted, NW Natural has not received DEQ comments on these documents.

- *Fill WBZ Trench Design Evaluation Report, Gasco/Siltronic*, prepared by Anchor QEA, dated April 8, 2015.
- *Hydraulic Control and Containment (HC&C) System Operation and Maintenance (O&M) Manual*, prepared by Anchor QEA, dated May 1, 2015
- *HC&C Capture Performance and Monitoring Plan (PMP)*, prepared by Anchor QEA, dated May 1, 2015.
- Figures from the first 30 days (through June 14, 2015) of the 60-day HC&C Phase 2 testing, prepared by Anchor QEA, dated June 30, 2015.

Should you have any questions, please contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Ede", with a stylized flourish at the end.

Rob Ede, R.G.
Principal

robe@hahnenv.com

Cc: Mr. Bob Wyatt, NW Natural (electronic only)
Ms. Patty Dost, Pearl Legal Group PC (electronic only)
Ms. Rachel Melissa, Pearl Legal Group PC (electronic only)
Ms. Sarah Riddle, Pearl Legal Group PC (electronic only)
Mr. Carl Stivers, Anchor QEA, L.L.C. (electronic only)
Mr. John Edwards, Anchor QEA, L.L.C. (electronic only)
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Ms. Halah Voges, Anchor QEA, L.L.C., (electronic only)
Mr. Henning Larsen, DEQ NW Region (electronic only)
Mr. Keith Johnson, DEQ NW Region (electronic only)
Mr. Myron Burr, Siltronic Corporation (electronic only)
Ms. Kristine Koch, Region 10 EPA (electronic only)
Mr. Sean Sheldrake, Region 10 EPA (electronic only)
Mr. Rene Fuentes, Region 10 EPA (electronic only)
Mr. Lance Peterson, CDM, Inc. (electronic only)